

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
RELIANT ENERGY CHANNELVIEW,) Case No. 07-11160 (MFW)
LP, et al.,)
)
Debtors.) Jointly Administered
) Re: Docket No. 319, 479 & 486

STATEMENT OF ISSUE AND DESIGNATION OF RECORD ON APPEAL OF
KELSON CHANNELVIEW LLC (F/K/A KELSON ENERGY IV LLC) FROM ORDER
APPROVING DEBTORS' PROPOSED BID PROTECTIONS (Dk. No. 319), AND
ORDER AUTHORIZING (I) THE SALE OR TRANSFER OF CERTAIN ASSETS OF
RELIANT ENERGY CHANNELVIEW LP AND RELIANT ENERGY SERVICES
CHANNELVIEW LLC FREE AND CLEAR OF LIENS, CLAIMS AND
ENCUMBRANCES AND OTHER INTERESTS, (II) THE ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES IN CONNECTION THEREWITH, (III) ASSUMPTION OF CERTAIN
LIABILITIES, AND (IV) GRANTING RELATED RELIEF (Dk. No. 479)

Pursuant to Federal Rule of Bankruptcy 8006, Kelson Channelview LLC (f/k/a Kelson Energy IV LLC) (the "Appellant"), hereby submits its statement of the issues to be presented and designates the record on appeal to the United States District Court for the District of Delaware with respect to the *Order Approving Debtors' Proposed Bid Protections* [Docket No. 319] (the "Bid Order") and the *Order Authorizing (I) the Sale or Transfer of Certain Assets of Reliant Energy Channelview LP and Reliant Energy Services Channelview LLC Free and Clear of Liens, Claims and Encumbrances and Other Interests, (II) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection Therewith, (III) Assumption of Certain Liabilities, and (IV) Granting Related Relief* [Docket No. 479] (the "Sale Order").

Issue to be Presented on Appeal

1. Whether the United States Bankruptcy Court for the District of Delaware incorrectly denied the award of a break-up fee in the amount of \$15,000,000 to Appellant upon

the closing of an Alternative Transaction.¹

Designation of Items to be Included in Record on Appeal²

Bid Order Documents

DATE	DOCKET NUMBER	DOCUMENT
08/31/2007	69	Transcript of First Day Motions Before Honorable Mary F. Walrath, Chief Judge
03/07/2008	277	Motion of the Debtors and Debtors-in-Possession to Approve Certain Bid Protections in Connection with the Debtors' Proposed Sale of Substantially All of Their Assets to Kelson Energy IV LLC
03/07/2008	278	Affidavit of Service of Rebecca V. Speaker re: Order (MODIFIED) (A) Granting Expedited Motion of Equistar Chemicals, LP to Continue Hearing on and Objection Deadline for Debtors' Sale Motion (B) Continuing Certain Hearing Dates and Objection Deadlines
03/07/2008	280	Supplemental Affidavit of Service of Rebecca V. Speaker re: Motion of Debtors' and Debtors in Possession to Approving Certain Bid Protection in Connection with the Debtors' Proposed Sale of Substantially all of their Assets to Kelson Energy IV LLC
03/14/2008	295	Objection of Fortistar LLC to Motion of the Debtors and Debtors-In-Possession to Approve Certain Bid Protections in Connection with the Debtors' Proposed Sale of Substantially All of Their Assets to Kelson Energy IV LLC
03/14/2008	300	Response of Official Committee of Unsecured Creditors to Debtors' Motion to Approve Certain Bid Procedures in Connection with the Debtors' Proposed Sale of Substantially All of Their Assets to Kelson Energy IV LLC
03/18/2008	319	Order Approving Debtors' Proposed Bid Protections
03/26/2008	335	Transcript of the Hearing held on March 18, 2008 before the Honorable Mary F. Walrath.

¹ Capitalized terms not parenthetically defined herein shall have the meaning ascribed to them in the *Motion of the Debtors and Debtors-In-Possession to Approve Certain Bid Protections in Connection with the Debtors' Proposed Sale of Substantially All of their Assets to Kelson Energy IV LLC* [Docket No. 277].

² All items designated herein include all exhibits, attachments or other papers included within each docket entry for such item.

DATE	DOCKET NUMBER	DOCUMENT
03/31/08	343	Preliminary Response of the Official Committee of Unsecured Creditors to the Debtors' Motion, Inter Alia, to Sell Assets and Assume and Assign Executory Contracts
06/13/2008	486	Notice of Appeal from Order Approving Debtor's Proposed Bid Protections (Dk. No. 319), and Order Authorizing (I) The Sale or Transfer of Certain Assets of Reliant Energy Channelview LP and Reliant Energy Services Channelview LLC Free and Clear of Liens, Claims and Encumbrances and Other Interests, (II) The Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection Therewith, (III) Assumption of Certain Liabilities, and (IV) Granting Related Relief (Dk. No. 479)

Sale Order Documents

DATE	DOCKET NUMBER	DOCUMENT
02/26/2008	251	Motion of the Debtors and Debtors-in-Possession Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief
03/04/2008	263	Emergency Motion of Equistar Chemicals, LP to Continue Hearing On and Objection Deadline for Debtors' Motion for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts and (III) Granting Related Relief
03/04/2008	264	Motion for Expedited Consideration of Equistar Chemicals, LP's Emergency Motion to Continue Hearing On and Objection Deadline for Debtors' Motion for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts and (III) Granting Related Relief

DATE	DOCKET NUMBER	DOCUMENT
03/04/2008	266	Order Shortening Notice Period and Response Deadline for, and Scheduling Expedited Hearing on, Equistar Chemicals, LP's Emergency Motion to Continue Hearing on and Objection Deadline for Debtors' Sale Motion
03/05/2008	268	Response of the Debtors and Debtors-in-Possession to the Emergency Motion of Equistar Chemicals, LP to Continue Hearing on and Objection Deadline for Debtors' Motion for an Order Authorizing (I) The Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) The Assumption and Assignment of Certain Executory Contracts and (III) Granting Related Relief
03/07/2008	273	Certification of Counsel Filed by Equistar Chemicals, LP.
03/07/2008	275	Order (Modified) (A) Granting Expedited Motion of Equistar Chemicals, LP to Continue Hearing on and Objection Deadline for Debtors' Sale Motion and (B) Continuing Certain Hearing Dates and Objection Deadlines
03/11/2008	284	Certificate of Publication of Vicki Eubanks of Notice of Hearing in Connection with the Sale of Assets of Certain Debtors in The Houston Chronicle
03/11/2008	285	Preliminary Objection of Fortistar LLC to Motion of the Debtors and Debtors-In-Possession Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief
03/14/2008	302	Objection of Siemens Power Generation, Inc. to (A) Debtors' Motion Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007, and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief [Docket No. 251]; and (B) Debtors' Motion for Entry of an Order Establishing Cure Amounts With Respect to Executory Contracts and Unexpired Leases That are to be Assumed and Assigned in Connection With the Sale of the Debtors' Business [Docket No. 258]

DATE	DOCKET NUMBER	DOCUMENT
03/19/2008	325	Transcript of Hearing held on March 5, 2008 before the Honorable Mary F. Walrath
03/24/2008	332	Certification of Counsel Regarding Stipulated Confidentiality Agreement and Protective Order
03/28/2008	340	Notice of Filing of Revised Schedule 2.1(e) to Asset Purchase Agreement
03/31/2008	349	Preliminary Objections of Equistar Chemicals, LP to Debtors' Motion for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts and (III) Granting Related Relief
04/07/2008	363	Response of the Administrative Agent to the Secured Lenders to the Debtors' Motion Pursuant to Sections 105(a), 363 and 365 Of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief
04/07/2008	362	Reply in Further Support of the Debtors' Sale Motion and Motion to Establish Cure Amounts
04/08/2008	365	Notice of Auction Result and Hearing
04/09/2008	366	Notice of Filing of Asset Purchase Agreement
04/16/2008	381	Transcript of Hearing held April 9, 2008 before the Honorable Mary F. Walrath
04/28/2008	402	Certification of Counsel Regarding Proposed Order Denying Motion of the Debtors and Debtors-in-Possession Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief

DATE	DOCKET NUMBER	DOCUMENT
04/28/2008	404	Response of Official Committee of Unsecured Creditors to the Certification of Counsel Regarding Proposed Order Denying Motion of the Debtors and Debtors-In-Possession Pursuant to Sections 105(A), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief
06/06/2008	473	Certification of Counsel Concerning Motion of the Debtors and Debtors-in-Possession Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief
06/09/2008	474	Certification of Counsel Concerning Motion of the Debtors and Debtors-in-Possession Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014 for an Order Authorizing (I) the Sale or Transfer of Certain Assets of the Debtors Free and Clear of Liens, Claims and Encumbrances, (II) the Assumption and Assignment of Certain Executory Contracts, (III) and Granting Related Relief
06/09/2008	479	Order Authorizing (I) the Sale or Transfer of Certain Assets of Reliant Energy Channelview LP and Reliant Energy Services Channelview LLC Free and Clear of Liens, Claims and Encumbrances and Other Interests, (II) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection Therewith, (III) Assumption of Certain Liabilities, and (IV) Granting Related Relief

DATE	DOCKET NUMBER	DOCUMENT
06/13/2008	486	Notice of Appeal from Order Approving Debtor's Proposed Bid Protections (Dk. No. 319), and Order Authorizing (I) The Sale or Transfer of Certain Assets of Reliant Energy Channelview LP and Reliant Energy Services Channelview LLC Free and Clear of Liens, Claims and Encumbrances and Other Interests, (II) The Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection Therewith, (III) Assumption of Certain Liabilities, and (IV) Granting Related Relief (Dk. No. 479)

Cash Collateral Documents

DATE	DOCKET NUMBER	DOCUMENT
08/20/2007	10	Emergency Motion of the Debtors for Entry of (I) Interim Order (A) Authorizing Use of Cash Collateral and Granting Adequate Protection, (B) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001, and (C) Granting Related Relief, and (II) a Final Order in Respect Thereof
08/21/2007	24	Objection to Debtors' Motion for Entry of an Interim Order Authorizing Use of Cash Collateral and Cross Motion for Order Conditioning the Debtors' Continued Use of the Lenders' Collateral Upon Adequate Protection of the Lenders or, in the Alternative, Granting Relief from the Automatic Stay
08/22/2007	28	Certification of Counsel re: Emergency Motion of the Debtors for Entry of (I) Interim Order (A) Authorizing Use of Cash Collateral and Granting Adequate Protection, (B) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001, and (C) Granting Related Relief, and (II) a Final Order in Respect Thereof
08/23/2007	48	Interim Order (I) Authorizing Use of Cash Collateral and Granting Adequate Protection, (II) Scheduling a Final Hearing, and (III) Granting Related Relief
08/23/2007	49	Notice of (A) Entry of Interim Order Pursuant to Sections 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection, (II) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001, and (III) Granting Related Relief and (B) Scheduling of a Final Hearing Thereon

DATE	DOCKET NUMBER	DOCUMENT
09/7/2007	82	Statement of Equistar Chemicals, LP in Response to (I) Debtors' Motion for Final Order Authorizing Use of Cash Collateral and Granting Adequate Protection and (II) Pre-Petition Lenders' Objection and Cross-Motion
09/17/2007	100	Minute Entry re: Final Cash Collateral
09/17/2007	101	Order (Final) (I) Authorizing Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief
09/24/2007	105	Transcript of Hearing held on September 17, 2007 before the Honorable Mary F. Walrath
01/02/2008	195	Motion of the Debtors for Entry of an Order (A) Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007, (B) Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, and (C) Granting Related Relief
01/02/2008	196	Debtors' Motion for an Order (A) Shortening Notice with Respect to Motion of the Debtors for Entry of an Order (a) Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007, (b) Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, and (c) Granting Related Relief; and (B) Setting Expedited Hearing Date in Connection Therewith
01/04/2008	198	Order (A) Shortening Notice with Respect to Motion of the Debtors for Entry of an Order (a) Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007, (b) Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, and (c) Granting Related Relief; and (B) Setting Expedited Hearing Date in Connection Therewith

DATE	DOCKET NUMBER	DOCUMENT
01/04/2008	199	Notice of "Motion of the Debtors for Entry of an Order (A) Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007, (B) Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, and (C) Granting Related Relief" [Docket No. 195] and Expedited Hearing Thereon
01/10/2008	202	The Official Committee of Unsecured Creditors' Response to Motion of the Debtors for Entry of an Order (A) Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007, (B) Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, and (C) Granting Related Relief
01/15/2008	212	Order Granting Motion of the Debtors for Entry of an Order (A) Extending "Final Order (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief", Entered September 17, 2007, (B) Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, and (C) Granting Related Relief
03/14/2008	304	Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007
03/14/2008	306	Debtors' Motion for an Order Shortening Notice with Respect to Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101] Entered September 17, 2007

DATE	DOCKET NUMBER	DOCUMENT
03/17/2008	309	Order Shortening Notice with Respect to Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101] Entered September 17, 2007
03/18/2008	318	Order (Second) Further Extending "Final Order (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief"
04/18/2008	383	Certification of Counsel Concerning Agreed Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101]
04/21/2008	384	Order (Agreed) Further Extending "Final Order (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief"
04/21/2008	385	Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101] Entered September 17, 2007
04/21/2008	386	Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101], Entered September 17, 2007
04/21/2008	387	Debtors Motion for an Order Shortening Notice with Respect to Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101] Entered September 17, 2007
04/22/2008	391	Order Shortening Notice with Respect to Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101] Entered September 17, 2007

DATE	DOCKET NUMBER	DOCUMENT
4/30/2008	407	The Official Committee of Unsecured Creditors' Response to Motion of the Debtors for Entry of an Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101] Entered September 17, 2007
05/02/2008	422	Minute Entry re: Cash Collateral and Motion to Appoint a Chapter 11 Trustee and Certification of Counseling re: Sale
05/02/2008	423	Order (Second Agreed) Further Extending Final Order (I) Authorizing The Use Of Cash Collateral And Granting Adequate Protection And (II) Granting Related Relief
05/12/2008	433	Transcript of the Hearing held on May 2, 2008 before the Honorable Mary F. Walrath
05/13/2008	437	Objection of the Administrative Agent to the Prepetition Lenders to Debtors' Motion Seeking the Use of Lenders' Cash Collateral and to the Debtors' Continued Use of Lenders' Collateral Absent Appropriate Adequate Protection
05/19/2008	441	Certification of Counsel Concerning Agreed Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101]
05/20/2008	445	Order (Third Agreed) Further Extending "Final Order (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief"
05/30/2008	456	Certification of Counsel Concerning Agreed Order Further Extending "Final Order Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief" [Docket No. 101]
06/03/2008	462	Order (Fourth Agreed) Further Extending "Final Order (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief"
06/09/2008	478	Order (Fifth Agreed) Further Extending "Final Order (I) Authorizing the Use of Cash Collateral and Granting Adequate Protection and (II) Granting Related Relief"
06/18/2008	489	Transcript of Hearing held on June 9, 2008 before the Honorable Mary F. Walrath

Dated: June 23, 2008

Respectfully submitted,

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